Although the agency evaluated DRT's primary proposal, it did not evaluate DRT's alternate proposal.

After DRT's technical and price scores were combined, DRT's proposal ranked second among the other four proposals, receiving only 54.8 points out of the total 100 points available. Significantly contributing to this low rating was the Peace Corps' finding that DRT's technical proposal contained numerous weaknesses in regard to its proposed personnel and management approaches. Specifically, the Peace Corps found that it was difficult to meaningfully evaluate DRT's proposed personnel because DRT's proposal offered a menu of possible staff with a variety of proposed back-ups and alternate positions. As a result, the Peace Corps found that DRT's proposed staffing created uncertainty as to whether DRT had actual staff to complete the contract. In regard to DRT's proposed management approach, the Peace Corps states that DRT failed to address such important evaluation issues as communication among staff and clients; contingency plan; personnel roster; and personal conduct and attire, as required by the RFP.

Moreover, the agency's evaluation of DRT's price proposal indicated that in order for DRT to have a reasonable chance of receiving an award for this contract, DRT would have to reduce its price by approximately 30 percent. The Peace Corps states that in reviewing DRT's proposed contractor costs, the contracting officer determined that there was no room to accommodate such a large reduction in DRT's price. Because of the technical superiority and lower price of the higher ranked offeror, DDD, the contracting officer also concluded that it was highly unlikely that DRT had any chance of being selected for award. As a result, the contracting officer, by letter dated September 19, rejected DRT's proposal.

DRT challenges the Peace Corps' rejection of its proposal, contending that the agency's evaluation was arbitrary. The Peace Corps disagrees, arguing that DRT's proposal was so deficient that the proposal properly was rejected. In essence, the Peace Corps reports that DRT's proposal was deficient in a number of areas because DRT failed to provide material information necessary to evaluate the proposal as required by the RFP. We agree.

The burden is on the offeror to submit an initial proposal that is written adequately and affirmatively demonstrates its merits, and an offeror runs the risk of having its proposal rejected if it does not do so. Vista Videocassette Servs., Inc., B-230699, July 15, 1988, 88-2 CPD ¶ 55. In reviewing the rejection of a proposal as technically
unacceptable for informational deficiencies, we examine the record to determine, among other things, whether the RFP called for detailed information and the nature of the informational deficiencies, for example, whether they tended to show that the offeror did not understand what it would be required to do under the contract. Source AV, Inc., B-234521, June 20, 1989, 89-1 CPD ¶ 578.

Here, the RFP stated that offerors should submit information sufficient to evaluate their proposal. Moreover, the RFP advised offerors that failure to supply such information would result in rejection of the proposal. In the most important technical area--staff qualifications--DRT received an average of only 14 points out of a possible score of 30 points. DRT's low score was based principally on the Peace Corps' assessment that the staffing proposal submitted by DRT was difficult to evaluate in any meaningful way because of the format in which it was presented. As noted above, DRT offered a menu of possible staff with a variety of proposed back-ups and alternate positions. We find no basis to conclude that the agency was unreasonable in its evaluation.

The RFP identified two key positions, a records room filing supervisor and an assistant records room clerk. DRT's proposal indicated that it would first offer the supervisor position to the incumbent employee, whose name and qualifications were not provided. In the event the incumbent was not available, DRT proposed two of its own employees as the supervisor (who would function as the assistant if the incumbent were not hired) and the assistant clerk, as well as two "backup personnel" available to fill the positions "should any change in personnel be required." DRT's proposal thus referred to a total of five potential employees--the incumbent supervisor, DRT's two employees, and two backup personnel--who might be used to fill the two key positions.

DRT maintains that the agency's concern about its proposed staffing was unreasonable, arguing that its backup personnel were included in the proposal as alternatives to be used only if unforeseen problems with using the principal staff should arise. DRT's proposal did not clearly indicate the circumstances under which the backup personnel would be used, however, and the DRT proposal thus was at best unclear in this regard. In addition, the proposed staffing plan involved a series of contingencies, dependent in the first instance on whether the incumbent elected to continue in the current position. DRT thus failed to specify a clear and definite staffing plan which the agency could evaluate meaningfully under the evaluation criteria in the RFP.
Further, while DRT's staffing plan was premised on giving the incumbent supervisor the right of first refusal to continue in the position, DRT did not identify the employee by name or provide any information on the employee's qualifications. Moreover, the agency's evaluation indicates that it preferred not to retain the current employees and in fact was looking for new staff for the records room operation. Under these circumstances, we find that the agency reasonably concluded that DRT's proposed staffing was sufficiently unclear so as to make it deficient in this area, and presented a definite management risk for the agency since the proposal created doubt as to whether DRT actually had the staff to fill the key positions.

The Peace Corps also found DRT's proposal deficient in the management/supervision area, the second most important technical category. Of the total 20 possible evaluation points in this area, DRT received an average of only 8 points. The Peace Corps states that DRT's low score resulted from its failure to sufficiently address the following critical elements outlined in the RFP as task requirements: communication among staff and clients, contingency plan, personnel roster, and personal conduct and attire. Although DRT maintains that its proposal did include an adequate discussion of communication, its does not refute the Peace Corps' findings in the other areas.

Based on our review of DRT's management plan, we find that DRT did submit an organization chart generally reflecting the four levels of communication specified in the RFP. In addition, while the term "communication" is used in the staff qualification section, DRT's discussion of the levels of communication essentially constituted a mere blanket offer of compliance with the solicitation requirements. For example, DRT merely stated that the medical records room supervisor would be the primary point of contact for three or the four levels of communication. With an estimated volume of 2,000 phone or mail requests per year from Peace Corps staff, communication between the contractor and the Peace Corps staff was an integral part of the contract. Consequently, the agency reasonably determined that DRT's omission of any discussion about the lines of communication is deficient.

1/ The four levels are (1) between the contractor and the Contracting officer's technical representative (COTR) at the facility; (2) between the contractor and other contractors; (3) between the COTR and the contractor's supervisory staff; and (4) directly between the contracting officer and the contractor.
between its firm and the Peace Corp staff was a material deficiency.

The Peace Corps also reports that one of the weaknesses of DRT's proposal was that it contained an inadequate description of how it would perform the requirements under the contract. In this regard, DRT's proposal stated that there was no need to reiterate the procedural steps to be followed for satisfying the requirements of the tasks described in the solicitation; however, DRT proposed to improve the overall efficiency of the medical records room. For example, DRT proposed updating the agency's procedures manual and automating the agency's system of records management. Since both of these recommendations were at best general in nature, the Peace Corps was uncertain as to how DRT actually would implement its recommendations. In response, DRT contends that its proposal contained specific examples of its records information management capabilities, including an overview of its document operations under a prior contract with another agency. Since the prior contract work differed significantly from the Peace Corps' contract and DRT did not specifically address how it would perform the contract, the Peace Corps reasonably questioned whether DRT understood what it would be required to do under the contract.

Although we have listed just a few of the numerous deficiencies that the evaluators found in DRT's proposal, our review of the record establishes that the evaluation had a reasonable basis. In our view, the informational deficiencies were material because they related closely to the statement of work requirements set forth in the RFP. Specifically, DRT's failure to describe sufficiently how it planned to perform the contract and how it planned to communicate with the Peace Corps staff created uncertainty as to whether DRT in fact understood what it would be required to do under the contract, and its failure to clearly specify a definite staffing plan effectively made it impossible for the agency to meaningfully evaluate the proposal in that critical area. Since we find that the technical evaluation of DRT's proposal was reasonable, we see no basis on which to object to the agency's decision to reject the proposal and make award to DDD, the lower priced, technically superior offeror.

DRT also challenges the Peace Corps' failure to evaluate its alternate proposal. In this regard, the only difference between the alternate proposal and the primary proposal was the staffing approach; DRT's primary proposal centered on its use of two full-time staff members, whereas it proposed using a staff of one full-time person and one part-time
person in its alternate proposal. We agree with DRT to the extent that it argues that the Peace Corps should have evaluated its alternate proposal; however, we fail to see how DRT was prejudiced by the agency's failure to do so since it contains the same material deficiencies as the primary proposal. More importantly, one of the strengths of DRT's primary proposal was its proposed use of two full-time staff members. Since the alternate proposal reduced the staffing level, clearly it was the inferior proposal of the two proposals submitted. Moreover, even with the reduced staffing, DRT's proposed price for its alternate proposal was higher than the awardee's price.

The protest is denied.

James F. Hinchman
General Counsel